

**MINUTES OF THE GENERAL MEETING  
OF THE BIGFORK COUNTY  
WATER AND SEWER DISTRICT**

The general meeting of the Bigfork County Water and Sewer District was held on January 13, 2016 at the District office.

**ATTENDEES:**

*Directors: Gene Helberg, Bob Keenan, Randall Phelps and Seth Price*

*District Employees: Julie Spencer, Andy Loudermilk and Vickie Hemphill*

*Engineering: Jeff Cicon from Morrison Maierle*

**READ AND APPROVE MINUTES:**

President Keenan opened the December meeting at 7:00 p.m. The minutes of the December Board Meeting were reviewed for approval. Price made a motion to approve, Helberg seconded and President Keenan called for discussion. Hearing none, a vote was called and it was unanimously

*RESOLVED*, That the minutes for the December 2015 Board Meeting be approved as submitted.

**AGENDA - ADDITIONS OR CHANGES**

President Keenan asked for input about the new Consent Agenda. Some Directors would like a printed copy instead of the emailed copy; these will be available to anyone who requests a hard copy prior to the meeting.

**CONSENT AGENDA**

The claim approval list included 3 additional checks: for Bob Hand's mileage; to State Fund for workers comp insurance; to Verizon for lift station communication modems. There was brief conversation about mileage issues for on-call employees and President Keenan requested it be a management matter. President Keenan called for a motion to approve the items on the Consent Agenda. Phelps moved, Price seconded; there was no further discussion and it was unanimously

*RESOLVED*, That all items on the Consent Agenda be approved.

**PUBLIC COMMENT**

No public Comment

**OLD BUSINESS**

*Jeff Cicon – Engineering updates*

- *Water System PER Update* – Cicon has begun updating the Water System PER (Preliminary Engineering Report) for the next funding cycle in May. Grant application requires two public meetings which must be advertised in the newspaper legal section. Cicon will create the legal advertisement. The meetings will be held in the District office and in the evening so the Directors will be able to attend if they wish. Public attendance may be low. After discussion, the

public meetings were scheduled for February 9, 2016 and March 8, 2016. This will provide time to work on the grant application.

- *Sludge Alternatives* – A draft report will be available by the February meeting and Julie can distribute to the Directors before next meeting.
- *Flathead Lake Brewery* – Cicon spoke to Stephanie at 48 N Engineering about the pretreatment system. Sampling results are not available yet and their system is still not in operation. Stephanie said she is confident that they, and their treatment plant consultant Paul Montgomery, will be able to make the pretreatment operational. Sampling protocol will be developed.

*Windsor Court Lot 7 Appraisal* – The lot was appraised for \$42,000. There was discussion about the lot size, HOA fees, the real estate market and the current number of lots for sale in the area. The easement through the property will be needed for the new transmission main project and most felt the infrastructure should be in the ground before marketing the lot. It was agreed that the lot should not be listed at this time.

## **NEW BUSINESS**

*Vice President Appointment* – The Vice President position needs to be officially reassigned since Bob Hand is no longer on the Board. It was agreed that Helberg would be moved back into this spot. President Keenan requested a motion to approve; Price moved, Phelps seconded and it was unanimously

*RESOLVED*, That Director Helberg be appointed Vice-President for 2016.

*Board By-Laws Updated* – President Keenan requested two updates to the existing Board By-Laws.

1. Article 22 regarding Order of Business should be updated to reflect the current changes to meetings. The new Order of Business should be: Reading and Adoption of the Minutes, Approve Agenda, Approve Consent Agenda Items, Public Comment, Committee Reports, Old Business, New Business, Communications, and Adjournment.
2. Article 21 Regarding Publication of Meeting Notices should be re-worded to more closely follow MCA rules. The changes will be on the February Agenda for approval.

Keenan asked for discussion and there was none.

## **COMMITTEE REPORTS**

*Annexation, Main Extensions & Construction* ..... *Helberg & Cahill*

- no committee meeting

*District Investments* ..... *Price & Phelps*

- *Eagle Bend Lot* – Possibilities for this lot are still being researched and were discussed. Ideas range from developing as a residential lot to sell or the possibility leasing the land for a cell tower as a conditional use. There were questions about Mike Frasier's documentation about what would be required to change the tract to a lot. There was also discussion about the cost and logistics of extending the sewer main.
- *Flathead Bank* – There was discussion about whether the cash funds are actually insured with the repurchase agreements. Price discussed the matter with former banker & director, Mike Houtonen, who assured him that the funds were insured. He provided a written explanation to Price who will share with the other Directors. Phelps explained the difference between insured and secured. In March, a banker from Flathead Bank will attend the meeting to explain and discuss options. The banking matter was tabled until that time.

***Employee Insurance Compensation & Certification..... Helberg & Keenan***

- Updated Employee Handbook Approval with Job Descriptions – President Keenan explained that the job descriptions are almost complete and will be distributed to the Directors for further input. The committee plans to meet with the employees to review and/or modify these new descriptions for their positions. Keenan expects this process to take quite some time to complete. Once all the job descriptions are approved and part of the handbook, reviews will follow. The Board will review Julie, and Julie will review the remaining staff.
- Insurance – Price was approached by Winston Walters from Hub International insurance. This company might be a suitable replacement for Assurant when they end their coverage in August 2016. Hub also provides property-casualty-liability insurance; the District uses MACO for that. Keenan said it was a good time to start looking at options.

***Pretreatment Regulations ..... Cahill & Price***

- Flathead Lake Brewery – The brewery issues were discussed. Director Price talked to Andy who explained that this time of year, loading drops and the bugs that digest and process wastewater starve without supplementation. If cold spring flows rush into the plant when it is sickly, the results can be serious. When the bugs die off there is no quick fix, so the key is to keep the plant healthy. Andy devised a plan to divert brewery waste to a holding tank to equalize and control the rate of introduction into the plant. The nutrition shortage is about 150# per day and foods such as sugar or brewery waste are needed to supplement the process. Sugar prices are approximately \$67 for 40 pounds but brewery waste is a much more affordable option. Keenan asked if management was able to handle this issue rather than involve the Board. The future permit was discussed. Andy would like to see the brewery's new pretreatment permit have some flexibility for the different needs of the MBR plant with lower loading penalties in the winter. There was discussion about other possible food sources.

***Rate Structure / Budget ..... Helberg & Phelps***

- *2016 Budgets and Rates* – Phelps, Helberg and Keenan reviewed the 2016 Budget prior to the meeting. Helberg was satisfied with the budget as presented. Phelps expressed concern about under-funding the sewer depreciation schedule, and would recommend a rate increase to make up for the shortfall. After discussion, it was noted that a rate increase is in the works. President Keenan called for a motion to approve the budget. Phelps moved, Helberg seconded and it was unanimously

*RESOLVED*, That the FY 2016 Budget for July 1, 2015-June 30, 2016 be approved.

- *Re-Use Rates* – Rates can be approved once the Re-Use Rules are in place.
- *Asset Replacement Values* – Andy recommended the new Directors read the District's PER to get a better idea about the District's long range plans

***Rules & Regulations ..... Keenan & Price***

- *Re-Use Rules--Resolution #74* – President Keenan said the Re-Use rules were being read at the January meeting for possible approval at the February meeting. Helberg asked that language regarding the water temperature issues faced in the past be added. Keenan called for a motion. Price made a motion that Resolution #74 with amendment be approved at the February meeting; Helberg seconded and it was unanimously

*RESOLVED*, That Resolution #74 with amendment be scheduled for approval at the February meeting.

- *District ownership of mains* – no action.

***Farmland***..... *Helberg, Loudermilk, Broston*

- There was no news about the farm other than the hard windstorms had blown the outhouse over.

## **COMMUNICATIONS**

- No communications were included the January Board packet.

President Keenan called for a motion to adjourn the meeting. Price motioned, Phelps seconded and it was unanimously

*RESOLVED* that the public meeting be adjourned at 8:08 p.m.

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Secretary, Vickie D. Hemphill

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President, Robert Keenan